

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	
OF SOUTH WOODFORD COUNTY)	CASE NO. 2003-00255
WATER DISTRICT)	

O R D E R

On June 30, 2003, South Woodford County Water District ("South Woodford") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. South Woodford purchases water from the city of Versailles ("Versailles").
2. Versailles notified South Woodford that effective with its May 1, 2003 billing its wholesale water rate would increase from \$1.62 per 1,000 gallons to a four-step declining block rate design with a monthly meter charge of \$2.77. The first step is \$2.10 per 1,000 gallons for the first 75,000 gallons. The second step is \$2.05 per 1,000 gallons for the next 75,000 gallons. The third step is \$2.02 per 1,000 gallons for the next 850,000 gallons. The fourth step is \$2.00 per 1,000 gallons for over 1,000,000 gallons. South Woodford proposes to increase the water rates to its customers effective August 1, 2003.
3. During the 12 months ending May 31, 2003, South Woodford purchased 125,087,000 gallons of water from Versailles and sold 118,038,000 gallons. The

increase in the cost of purchased water is \$47,905.30, resulting in a purchased water adjustment of \$0.41 per 1000 gallons.

4. The purchased water adjustment of \$0.41 per 1,000 gallons is fair, just, and reasonable and should be approved.

5. South Woodford erred in its calculation of the purchased water adjustment and failed to account for the \$2.77 meter charge. South Woodford's calculation of a purchased water adjustment of \$0.39 per 1,000 gallons, therefore, should be denied.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.41 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after August 1, 2003.

2. The purchased water adjustment of \$0.39 per 1,000 gallons, proposed by South Woodford, is denied.

3. Within 20 days of the date of this Order, South Woodford shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 23rd day of July, 2003.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2003-00255 DATED July 23, 2003

The following rates and charges are prescribed for the customers in the area served by South Woodford County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

All Water Usage

First	2,000 gallons	\$19.24 Minimum Bill
Next	2,000 gallons	4.37 per 1,000 gallons
Next	6,000 gallons	4.16 per 1,000 gallons
Next	90,000 gallons	3.83 per 1,000 gallons
Over	100,000 gallons	3.43 per 1,000 gallons